



Christine O. Gregoire
ATTORNEY GENERAL OF WASHINGTON

Administration Division

PO Box 40100 • Olympia WA 98504-0100 • (360) 753-6200

FAX COVER SHEET

Date: January 25, 2002

Time: 12:01 PM

Please deliver the following one page(s)

TO:	Chief Deputy Peter Siggins	916-327-7154
	Chief of Staff Eric Tabor	515-281-4209
	Renata Hesse, Department of Justice	202-307-1454

FROM: Attorney General Christine Gregoire

Fax Number: 360-664-0228
Voice Number: 360-664-8565

If there is a problem receiving this fax, please call Barb Winkler at 360-664-9082.

NOTE: THIS FAX TRANSMISSION IS INTENDED ONLY FOR THE ADDRESSEE SHOWN ABOVE. IT MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, OR OTHERWISE PROTECTED FROM DISCLOSURE. ANY REVIEW, DISSEMINATION, OR USE OF THIS TRANSMISSION OR ITS CONTENTS BY PERSONS OTHER THAN THE ADDRESSEE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE AND MAIL THE ORIGINAL TO US AT THE ABOVE ADDRESS. THANK YOU.

THE ATTORNEY GENERAL'S OFFICE DOES NOT ACCEPT SERVICE BY FAX.



Christine O. Gregoire

ATTORNEY GENERAL OF WASHINGTON

1125 Washington Street SE • PO Box 40100 • Olympia WA 98504-0100

January 25, 2002

Ms. Renata Hesse
Antitrust Division
U.S. Department Of Justice
601 D Street NW, Suite 1200
Washington, DC 20530-0001

Dear Ms. Hesse:

This is a comment submitted pursuant to the Tunney Act, 15 U.S.C. section 16, on the proposed settlement between the Department of Justice and Microsoft. The Attorney General of Washington ("Attorney General") enforces state and federal antitrust laws. The Attorney General oftentimes works cooperatively with the Department of Justice on enforcement issues which impact the public on a national and local level, and works cooperatively with other state Attorneys General Offices on cases of national interest.

The Attorney General participated in the initial multi-state review of numerous allegations of violations of the antitrust laws by Microsoft. Even before the suit was filed, the Attorney General urged the parties to consider settlement.

The Attorney General did not join the Department of Justice lawsuit for several reasons including:

1. The lawsuit alleged harm to each state's general welfare and economy. This argument was problematic for the state of Washington.
2. We had received very few comments concerning consumer harm in Washington arising from Microsoft's conduct. In fact, we had received contrary comments.
3. If the Department of Justice did successfully obtain an injunction, the injunction would benefit any injured consumers in Washington.

We have reviewed the proposed settlement agreement with the Department of Justice, including the additional requirements negotiated by nine of the litigating states. We compliment all parties on their efforts to fashion a settlement agreement to resolve the litigation. We also acknowledge and respect that nine of the litigating states believe that the proposed settlement does not fully address outstanding issues and are continuing forward with the litigation.

Under the circumstances, with the Federal District Court having found violations of antitrust laws, and the parties formulating an agreement which addresses the contested issues, we support the proposed settlement as being in the public interest and believe it should be approved as proposed by the parties.

Sincerely,

CHRISTINE O. GREGOIRE
Attorney General

COG/rjp